

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Public Services - Treasuries and Accounts Department – Sri P.Prabhudas ATO (Retd.) Headquarters Sub-Treasury, Mahabubnagar – Departmental Proceedings initiated against Sri P.Prabhudas, Assistant Treasury Officer (Retd.) for certain defects noticed during the verification of the pensions at the Headquarters Sub-Treasury, Mahabubnagar - Imposition of a punishment of withholding of 10% of his pension for a period of two years under Rule 9 of A.P. Revised Pension Rules, 1980 – Orders – Issued.

FINANCE (ADMN.I.VIG.) DEPARTMENT

G.O.Rt.No. 574

Dated: 15-02-2010.

Read the following:

1. DTA's Lr.No.KII (7)/3377/2003, dated: 25.5.2004 and 15-7-2004.
2. G.O.Ms.No.528, Finance (Admn.I.Vig) Department, dt.23-06-2004.
3. G.O.Rt.No.1811, Finance (Admn.I.Vig) Department, dt.23-06-2004.
4. DTA Lr.No.KII (7)/3377/2003, dt. 08-06-2005 along with the defence statement of Sri P.Prabhudas ATO (Retd.) dt.12-09-2004.
5. G.O.Rt.No.3759, Finance (Admn.I.Vig) Department, dt.21-10-2005.
6. DTA Lr.No. K II (7)/3377/2003, dt.20-10-2006 along with Inquiry Report of Smt. B.Vijaya Lakshmi, Dy. Director.
7. Govt. Memo.No.13205/211/Admn.I.Vig/A2/2004, dt. 18-11-2006.
8. DTA Lr.No. KII (7)/3377/2003, dt.30-3-2007 along with explanation of Sri P.Prabhudas, Asst. Treasury Officer (Retd.), dt. 19-2-2007
9. Govt. Memo.No.13205/211/Admn.I.Vig/A2/2004, dt. 01-08-2008.
10. DTA Lr. No. KII (7)/3377/03, dt. 08-12-2008 along with explanation of Sri P.Prabhudas, Asst. Treasury Officer (Retd.), dt.25-10-2008.
11. Govt. Memo.No.13205/211/Admn.I.Vig/A2/2004, dt. 21-8-2009.
12. DTA Lr. No. KII (7)/3377/2003, dt.09-11-2009 along with Proforma particulars.
13. Govt. Lr. No. 13205/211/Admn.I.Vig/A2/2004, dt. 01-12-2009 addressed to Secretary, APPSC, Hyderabad.
14. Secretary, APPSC Lr.No.1475/RT-I/1/2009, dt. 08-1-2010.

ORDER:

The Director of Treasuries and Accounts, in the reference 1st read above, has reported that during the course of verification of Pensions at Headquarters Sub-Treasury, Mahabubnagar by the Deputy Director, District Treasury, Mahabubnagar certain defects and lapses were noticed. The following are the main lapses.

1. Sri Md. Moinuddin, Attender, Sub-Treasury, Mahabubnagar has created fake PPO No.11-S-001483 in the computers and drawn an amount of Rs.30,504/- during the period from 1/2003 to 6/2003 @ Rs.5,084/- per month. However the entire amount has been remitted by the individual into Government account vide Challan No.84, dt.6-8-2003.
2. Sri S.Srinivasulu, Typist, District Treasury, Mahabubnagar has created fake PPO NO.11-S-5282 in the computer of headquarters of Sub-Treasury, Mahabubnagar and drawn an amount of Rs.18,370/- during the period from 4/2003 to 6/2003 @ Rs.6182/-, Rs.6094/-, and Rs.6094/- respectively. However, the entire amount has been remitted by the individual into Government account vide Challan NO.56, dt.5-8-2003.
3. Sri Md.Moulana, Retired Attender of Government Polytechnic, Mahabubnagar, who is drawing original pension from Andhra Bank, Mahabubnagar vide PPO NO. LF/MBNR/SI-1002597 has been allowed to draw pension of Rs.1752/- by creating fake PPO No.LF/MBNR/RGB/S001147 through State Bank of Hyderabad main branch, Mahabubnagar during the month of 5/2003. However,

the same has been remitted into Government account by Sri Md.Moulana vide Challan No.60, dt. 6-10-2003.

4. Smt. Mahamuda Bee, W/o Sri Md.Moinuddin, Attender, Headquarters Sub-Treasury, Mahabubnagar has been allowed to draw the pension of Rs.2,15,137/- from 10/94 to 6/2004 through Andhra Bank, Mahabubnagar against the name of Late Smt. Jahangeer Bee holder of PPO NO.11-F-000014, who expired on 25-10-2004.

2. The Director of Treasuries and Accounts has further reported that the following treasury employees who worked at Headquarters Sub-Treasury, Mahabubnagar were allegedly responsible for the lapses during their tenure.

1. Sri Syed Mozzam Hussain, ATO
2. Sri P.Prabhudas, ATO (Retd.)
3. Sri P.Anjaneyulu, STO (Retd.)
4. Sri K.Brahmanandam, STO
5. Sri C.Basavalingam, Senior Accountant
6. Sri G.Satyanarayana Goud, Senior Accountant
7. Sri S.Srinivasulu, Typist
8. Sri Mohd. Moinuddin, Attender
9. Sri S.Hari Prasad, Shroff
10. Sri Sajid Ali, Shroff

3. The Director of Treasuries and Accounts, while forwarding the cases of Sri P.Prabhudas, ATO (Retd.) and Sri P.Anjaneyulu, STO (Retd.) for initiating departmental proceedings against them under Rule 9 of A.P. Revised Pension Rules, 1980 informed that he has initiated Departmental proceedings against Sri Mozzam Hussain, ATO and Sri K.Brahmanandam, STO and the Deputy Director has initiated Departmental proceedings against Senior Accountants and below categories as per their competence in accordance under Rule 20 of A.P.C.S. (CC&A) Rules, 1991.

4. Government, after careful examination of the report of the Director of Treasuries and Accounts and other relevant material on record initiated Departmental Proceedings against Sri P.Prabhudas, Asst. Treasury Officer (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980, vide G.O.2nd and 3rd read above.

5. The following article of charge was framed against Sri P.Prabhudas, Asst. Treasury Officer (Retd.):

That the said Sri P.Prabhudas, Retd Asst. Treasury Officer while working as ATO, O/o Hqrs. Sub-Treasury, Mahabubnagar during the period from 4-2-2000 to 30-9-2000 has failed to verify the Pension Lists with reference to the Disbursers portion of PPOs every month as required in Rules.

Further, Family Pension of Rs.13,818/- has been paid to the bogus Pensioner i.e., Smt.Mahmuda Bee W/o Sri Md.Moinuddin, Attender, Hqrs. Sub-Treasury, Mahabubnagar against the pension of late Smt.Jahangeer Bee, holder of PPO.No. 11-F-000014. Thus, he failed to follow the procedure prescribed in A.P. Treasury code and the instructions issued thereon from time to time in making pension disbursements, and thereby given scope for drawals of bogus pension and was responsible for a loss of Rs.13,818/- to the exchequer.

Thus Sri P.Prabhudas, Retd Asst. Treasury Officer while working as ATO, O/o Hqrs. Sub-Treasury, Mahabubnagar by the above mentioned acts has exhibited lack of integrity devotion to duty and shown negligence in discharging his legitimate duties thereby exhibited conduct unbecoming of a Government servant and thereby contravened rule 3 of A.P. Civil Services (conduct) Rules, 1964.

6. The Director of Treasuries and Accounts, vide his letter 4th read above has furnished the written statement of defence of Sri P.Prabhudas, ATO (Retd.). In his statement the Charged Officer has stated that there was no opportunity for him to see the life certificate of Smt. Mahmuda Bee as it would be furnished in the month of November only. He sent the list of the paying banks concerned as usual marking a copy to the DTO, Mahabubnagar to debit the expenditure to the relevant head of account. He has requested to drop the charges as he had retired on superannuation on 30-09-2000 AN..

7. Government, after careful consideration of the statement of defence of the charged officer, not satisfied with his explanation and felt it appropriate to conduct a regular enquiry into the charge framed against the Charged Officer along with other Charged Officers. Accordingly, Government appointed Smt. B.Vijaya Lakshmi, Dy. Director as Inquiry Officer and Sri Kamalakar Rao, ATO, District Treasury, Mahaboobnagar as Presenting Officer for conducting regular inquiry into the charge framed against P.Prabhudas, ATO (Retd.).

8. Smt. B.Vijaya Lakshmi, Deputy Director has conducted regular inquiry and submitted her report vide reference 6th read above. In the inquiry, the charge framed against Sri P.Prabhudas, Asst. Treasury Officer (Retd.) was held proved.

9. The Inquiry Officer, in her findings stated that **on the basis of the charge presented by the disciplinary authority with evidences both recorded and oral as well as the defense of the charged officer, she hold that in this case the fraudulent payment has taken place due to the malafied intentions of the long standing office Attender Sri Moinuddin (facing criminal charges currently along with his wife Smt. Mahmooda Bee) and the negligence of the officers in discharge of their laid down duties. From the study of the case, the Inquiry Officer found that there is no record of payment of life time arrears or surrender of the other half of the Pension Payment Order. The fact of the death of the original pensioner on 25-10-1994 has come to light only during 100% verification of PPOs during 2003. The Officers who worked earlier continued to make payment without verifying the Pension Payment Order and identifying the pensioner correctly.** The Photograph of Smt. Mahmooda Bee has been attested by then Sub-Treasury Officer Sri P.Anjaneyulu for introducing the Pensioner to the Bank as per the instructions held in G.O.Ms.No.213, dt. 19-12-1997 Finance Planning (PSC) Dept., the payment continued through bank from 11/99 till 2003. The Life Certificate of the bogus pensioner was received only in 2002. The Charged Officer worked from 4-2-2000 to 30-9-2000. **No record of obtaining Life Certificates is found except in 2002.** In this case of payment of pension to bogus Pensioner an amount of Rs.2,15,137/- has been paid from year 1994 to 2003. No part of the amount has been recovered till date. **Thus there is a loss to exchequer due to the negligence of the successive Officers.** Here there is no creation of fake PPOs or payment of new PPOs. The bogus pensioner has taken payment from Treasury from 10/1994 till 11/1999. **When she was introduced to Bank by the then Sub-Treasury Officer, Sri P.Anjaneyulu and the payment continued to be made through Andhra Bank Account No. 34504 till 6/2003.** By 4-2-2000 i.e. by the beginning of the tenure of the Charged Officer Sri P.Prabhudas, Asst. Treasury Officer, (Retd.) Smt. Mahmooda Bee was already introduced to the Bank and the payment continued well beyond the tenure of the Charged Officer. Hence, it may be held reasonable the contention of the Charged Officer that there was no occasion to verify the PPO and detect the fraudulent drawal and there was also no creation of fake PPO on Computer. **As there is no new PPO created even if two lists of pension submitted to the District Treasury Office in time the case would not have been detected.**

However as per the Rule position in A.P. Financial Code Article all accounts have to be checked as frequently as possible and care has to be taken that his subordinates do not commit fraud/mis-appropriation or any other irregularly. He will be held personally responsible for any loss found to have taken place due to his negligence of duties. Further each month the pension lists have been certified by the

Charged Officer that all the PPOs have been verified with reference to the Disbursers Portion of Pension.

On the basis of documentary and oral evidence adduced in the case before Inquiry Officer and in view of the reasons given above, the Inquiry Officer holds that the charge is proved against Sri P.Prabhudas, Asst. Treasury Officer (Retd.) Head Quarters ST, Mahabubnagar.

10. Government, after careful examination of the Charge framed against Sri P.Prabhudas, Asst. Treasury Officer (Retd.) and his Written Statement of Defence and the findings of the Enquiry Officer found that the Charge framed against him was held proved substantially and furnished a copy of the Enquiry report to the charged officer vide reference 7th read above.

11. Sri P.Prabhudas, Asst. Treasury Officer (Retd.) in his explanation at reference 8th read above has stated that the findings of the enquiry officer are not correct on the following grounds and requested to drop further action against him.

1. The Head Quarters Sub Treasury, Mahabubnagar is serving more than 5000 pensioners and the procedure of payment of pensions through the banks as per G.O.Ms.No.213, Finance & Planning (FW-Pen.I) Dept., dt. 19-12-1997 was implemented long before. The new cases were clubbed with the old cases and that the lists were used to link banks which would automatically credit to the paying banks for crediting to the SB accounts of the pensioners concerned. The DTO is the authority to admit the claims of the pensioners and the lists in question should have been returned to the head quarter Sub Treasury, Mahabubnagar to separate both old and new claims and to send them to the District Treasury. This is the fault of the District Treasury and Sub-Treasury cannot be held responsible for such a course of action after a lapse of so many years.

2. Had the broad sheets been opened in the District Treasury to make entries with reference to the vouchers received from the ST as required as per DTA's Circular memo.No.K1/52920/74, dt. 30-11-1974 and K1/44126/76, dt.3-7-1976, the continuance of the payment of family pension in the name of the Smt. Jahangir Bee would have been stopped and the culprits should have been caught red handed at that time itself. Sri Srinivasulu, the then shroff joined hand with the Attender of ST and played mischief in these affairs. The inquiry report reveals clearly about the involvement of Sri Mohd. Moinuddin, Attender of ST, Mahabubnagar. It is not fair on the part of the inquiry officer to find fault with him.

3. He Further stated that he continued as ATO, ST, Mahabubnagar upto 30-9-2000, the question of calling of the life certificate due on 1-11-2000 does not arise. Sri Anjaneyulu, the then STO, Mahabubnagar attested the photo of the bogus pensioner, Smt. Mahamooda Bee wife of Sri Md. Moinuddin, Attender of the same ST. The PPOs are required to be in the strong room and **the fault lie with the then STO for having allowed the Attender to meddle with the PPO.**

12. Government, after careful examination of the explanation of the Charged Officer with reference to the findings of the Enquiry, found that Sri P.Prabhudas did not verify pay bank lists with reference PPOs every month during his tenure thus **he failed to follow the procedure prescribed in AP Treasury code and the instructions issued thereon from time to time in making pension disbursements, and thereby given scope for drawals of bogus pension and was responsible for a loss of Rs.13,818/- to the exchequer.** Therefore, Government came to a provisional conclusion for imposition of punishment of withholding of 10% of his pension for a period of two years on the Charged Officer, Sri P.Prabhudas, Asst. Treasury Officer (Retd.), under Rule 9 of A.P. Revised Pension rules, 1980. Accordingly, a final show cause notice was issued to the Charged Officer, Sri P.Prabhudas, Asst. Treasury Officer (Retd.) vide reference 9th read above.

13. The Charged Officer, Sri P.Prabhudas, Asst. Treasury Officer (Retd.), in his explanation at reference 12th read above, did not put forth any fresh grounds for consideration. He reiterated that he **was joined as ATO on 04-02-2000 and continued as ATO, ST, Mahabubnagar up to 30-9-2000 only. Therefore, the question of calling of the life certificate due on 01-11-2000 does not arise.** The bogus pensioner was being drawn from the year 1994 after the death of Smt. Jahangeer Bee on 25-10-1994 and amount of Rs.2,15,137/- was fraudulently drawn by the wife of the Attender of the same Sub Treasury. There was no scope for him to know that this pensioner was not genuine pensioner, as the pensioner was not expected to appear before the ATO, Head Quarter ST, Mahabubnagar up to 1-11-2000. There was no need for him to entertain doubt about the bonafides of the pensioner as the photo on the PPO was attested by Sri P.Anjaneyulu, the then STO, Mahabubnagar. He has requested to review the matter and drop further action against him.

14. Government, after careful examination of the Charge framed, written statement of defence and explanations of the Charged Officer, P.Prabhudas, Asst. Treasury Officer (Retd.), with reference to the findings of the Enquiry Officer in detail, observed that the Charged Officer, while working as Asst. Treasury Officer, Headquarter Sub-Treasury, Mahabubnagar furnished Pay bank lists of the pensioners without verifying PPOs during his tenure and failed to perform his legitimate duties as head of the office. The defence of the Charged Officer stated that he has no need to entertain doubt about the bonafides of the pensioner as the photo on the PPO was attested by Sri P.Anjaneyulu, the then STO, Mahabubnagar is not at all tenable as it is clear that he is certifying the pay bank list every month as verified with the PPO. The Charge framed against him is held proved substantially. Therefore, Government came to a provisional conclusion for imposition of a punishment of withholding of 10% of his pension for a period of (2) years under Rule 9 of A.P. Revised Pension Rules, 1980 and referred the matter to the Andhra Pradesh Public Service Commission, Hyderabad for their concurrence vide letter 13th read above.

15. The Andhra Pradesh Public Service Commission, Hyderabad in their letter 14th read above, have concurred with the proposal of the Government for imposition of a punishment of withholding of 10% of pension for a period of (2) years on the Charged Officer, Sri P.Prabhudas, Sub Treasury Officer (Retd.).

16. Government, accordingly, hereby order for imposition of a punishment of withholding of 10% of pension for a period of (2) years on the Charged Officer, Sri P.Prabhudas, Asst. Treasury Officer (Retd.) under Rule 9 of A.P. Revised Pension Rules, 1980.

17. The Director of Treasuries and Accounts, Hyderabad shall take necessary further action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**L.V.SUBRAHMANYAM
PRL. SECRETARY TO GOVERNMENT (FP)**

To

The individual through the Director of Treasuries & Accounts, A.P., Hyderabad.
The Director of Treasuries and Accounts, A.P., Hyderabad.

Copy to:

The Accountant General, A.P., Hyderabad.
The Secretary, Andhra Pradesh Public Service Commission, A.P., Hyderabad
The Deputy Director, District Treasury, Mahabubnagar.

// FORWARDED BY ORDER //

SECTION OFFICER